



NEO

FIXD

# EVOLVE ACTIVE CORE FIXED INCOME FUND

Active Fixed Income Management Seeks to Generate Alpha over Passive Strategies

TICKER: FIXD (Unhedged)

FUNDSERV CODES: EVF110 (Class F); EVF111 (Class A)

EXCHANGE: Aequitas NEO Exchange Inc. (NEO)

INCEPTION DATE: March 29, 2018 (FIXD)

June 4, 2019 (EVF110 & EVF111)

ASSET CLASS: Fixed Income

MANAGEMENT FEE<sup>1</sup>: 0.45%

MUTUAL FUND CLASS A TRAILER<sup>1</sup>: 0.75%

SUB-ADVISOR: Addenda Capital

TARGET YIELD<sup>2</sup>: 3.20%

FIXD seeks to provide a stable rate of return, through income and capital appreciation. This ETF invests primarily in domestic and international high quality fixed income securities, and to a lesser extent, adding yield or enhancing returns on the portfolio by opportunistically investing in international fixed income securities, emerging market debt, preferred shares, convertible bonds and non-investment grade bonds.

## REASONS TO BUY:

### 1. MULTI-STRATEGY

- Credit sector and security selection

Source: Evolve ETFs, Bloomberg, Morningstar, as at July 31, 2020.

<sup>1</sup> Plus applicable sales taxes.

<sup>2</sup> Estimate only. Actual yield changes daily based on market conditions. Target yield is gross of MER.

### 2. LONG-TERM VIEW

- Credit positions are predominately driven by longer term fundamental views of business and financial risk
- Duration is principally driven by a 2-4 year outlook on interest rates

### 3. HIGH CONVICTION PORTFOLIO

- Active Risk vs. Benchmark

## AN EXPERIENCED MANAGER: ADDENDA CAPITAL\*



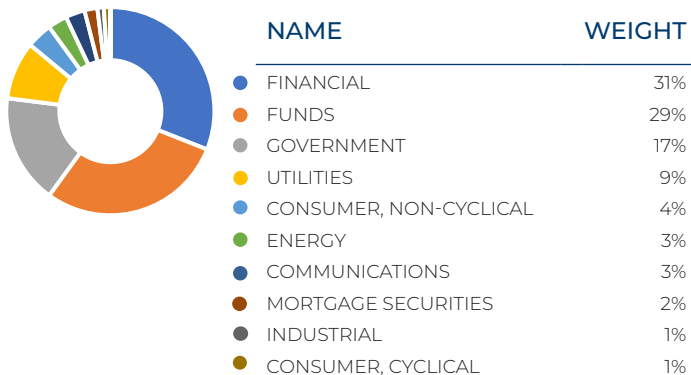
Addenda Capital is one of Canada's largest multi-asset investment firms, with over \$31.7 billion in assets under management\*\*, including \$20.8 billion in fixed income and \$1.1 billion in preferred shares. Addenda's client base is primarily made up of pension, private wealth, insurance, corporations and foundations. Addenda is owned by The Co-operators Insurance Company which is one of Canada's largest insurance companies with over 5,000 employees and founded in 1945.

Source: Addenda Capital, as at December 31, 2019.

\* Prior to April 1, 2020, the sub-advisor to the Evolve Active Core Fixed Income Fund was Foyston, Gordon & Payne Inc.

\*\* Includes \$870 million in Advisory assets and \$435 million in Overlay assets.

### SECTOR ALLOCATION:



### GEOGRAPHIC ALLOCATION:



### TOP 10 ISSUES:

1. Evolve Active Canadian Preferred Share Fund (DIVS CN EQUITY)	18.10%	6. Province of Ontario Canada (ONT 2.9 12/02/46)	3.26%
2. Evolve Active Global Fixed Income Fund (EARN CN EQUITY)	10.57%	7. Hydro-Quebec (QHEL 6 02/15/40)	3.16%
3. Province of British Columbia Canada (BRCOL 3.2 06/18/44)	4.76%	8. Fortis Inc/Canada (FTSCN 6.51 07/04/39)	2.97%
4. Bow Centre Street LP (HRUCN 3.69 06/14/21)	4.38%	9. Royal Office Finance LP (ROFLP 5.209 11/12/32)	2.66%
5. Empire Life Insurance Co/The (ELFCN 3.664 03/15/28)	3.47%	10. Province of Manitoba Canada (MP 3.35 03/05/43)	2.66%

As at July 31, 2020.

Percentages may not add up to 100% due to rounding.

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